Central assistance to the States. Details of outlays, under MNP during the last three years in respect of Gujarat are given below:—

Year	*Outlays approved for minimum Programme* (Rs. in crores)
1992-93	189.76
1993-94	175.35
1994-95	239 61

(c) and (d) The Central assistance is for the Plan as a whole given as block assistance. Proportionate cut in assistance are made when expenditure fall short of plan outlays in earmarked sectors. MNP is an earmarked sector. There will be no cut in the assistance for this year; as long as the earmarked outlays and total plan outlays are achieved. The position of curtailment in Central assistance under MNP will be known by the end of the year when the State sends the details of anticipated expenditure.

SBI plans to enter insurance sector

6922. SHRIMATI CHANDRIKA ABHINANDAN JAIN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have consented, in principle, to the SBI plans to enter the insurance sector;

(b) if so, whether the SBI has decided to form a subsidiary or go in for an equity tie up with a foreign company: and

(c) whether in this exercise, recommendations of the Malhotra Committee could be kept in mind, according to which a foreign company wishing to enter the insurance sector will have to float an Indian company, preferably a joint venture with an Indian partner?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (c) Under the existing insurance laws, transacting life and general insurance business is the exclusive privilege of the Life Insurance Corporation of India (LIC) and the General Insurance Corporation of India (GIC). No other body can transact insurance business without amending the existing insurance laws.

Housing loan to members of Urban Cooperative Banks

6923. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has recently raised the Housing Loan Limit for the Members of the Urban Cooperative Banks;

(b) whether it is also a fact that the loan limit for house repairs or alteration for each member of the society has also been raised; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (c) Yes Sir, The limit for housing loan extended by Scheduled Urban Cooperative Banks to individuals belonging to different categories has been raised as indicaed below:

Earlier Limit	Present Limit
Rs. 1 lakh	Rs. 2 lakhs

The maximum amount of loan for individual borrower for repairs. additions and alterations has been raised to Rs. 75000/- as against the earlier limit of Rs. 30,000/-

Insurance Companies violating regulatory mechanism

6924. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the official committees reports from USA. UK, and other countries that the

Insurance Companies in the private sector are violating all regulatory mechanism and gambling in the share market;

(b) if so, what are the details there of; and

(c) what is the reaction of Government in regard thereto specially on the privatisation of insnrance company in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) No, Sir.

(b) Does not arise.

(c) Since under the existing insurance laws, transacting life and general insurance business is an exclusive privilege of the Life Insurance Corporation of India (LIC) and the General Insurance Corporation of India (GIC), this question does not arise.

Establishment of Independent Insurance Regulatory Authority

6925. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken any decision on the establishment of Independent Insurance Regulatory Authority and if so, the details thereof; and

(b) whether Government have received any resolution which was passed by the General Insurance Employees All India Association on the proposed Independent Insurance Regulatory Authority and if so, what are the details thereof and the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) As a first step towards the introduction of reforms in the Insurance Sector, it had been announced during the Budget Speech of Finance Minister that it was proposed to establish an Independent Regulatory Authority for the insurance industry, for which the necessary legislation will be introduced shortly.

(b) Yes, Sir. The Federation have assumed that the Regulatory Authority is relevant only to privatisation, and it would be unsuccessful in any effort to curb malpractices by private insurance companies. Essentially the Federation has opposed any attempt at privatisation.

Round the clock service by foreign banks

6926. SHRI KRISHAN KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether most of the foreign banks operating in the country have started providing round the clock services;

(b) if so, the details thereof;

(c) whether Government propose to introduce similar round the clock services in nationalised banks in the country particularly in the metropolitan cities; and

(d) if so, by when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) Presumably, the reference to round-the-clock service is to electronic banking service. Reserve Bank of India (RBI) has, therefore, intimated that a few foreign banks have started providing electronic banking services. RBI have further intimated that Citibank has introduced telephonic banking with primary purpose of making use of modern telephonic networks to improve customer service under which except cash deposits and cash withdrawals, the customers can conduct their banking business by use of telephone.

(c) and (d) As a sequel to the recommendations of the Committee on computerisation in banks, RBI had been permitting commercial banks to instal ATMs in their branches at different centres as and when banks approached for the same.

One of the recommendations of the Committee on Computerisation in banks